

The Substitute Teacher's Guide to Obtaining Service Credit

TRS Plan 2

As a substitute teacher in one of Washington's public school districts, you may qualify to participate in one of the state's retirement plans for teachers. Membership in the Teachers' Retirement System (TRS) is optional for substitute teachers.

DOES PLAN 2 APPLY TO ME?

This packet is for TRS Plan 2 members. **Rules discussed here may not apply to TRS Plan 1 or TRS Plan 3 members.** The date you enter TRS membership determines the plan to which you belong. As a substitute teacher, you become a member on the date you first pay contributions, not on the date you begin work. You belong to **Plan 2** if you first established membership in TRS between October 1, 1977 and June 30, 1996, and have not transferred to TRS Plan 3. If you are a member of TRS Plan 1 or Plan 3, obtain the appropriate application packet from your employer.

Under TRS Plan 2, you and your employer(s) contribute to a defined benefit program. This program pays a lifetime benefit based on your highest average monthly salary over 60 consecutive months. Once you earn five years of service credit this benefit is guaranteed when you reach retirement age.

To learn more about TRS Plan 2, ask your employer for a *TRS Plan 2 Member Handbook*, or visit DRS' Internet site: <http://www.wa.gov/DRS/drs.htm>. This publication is also available on the DRS Internet site. Plan 2 members have the option to make an irrevocable transfer to Plan 3. For transfer information, contact your employer or call DRS at 1-800-547-6657. From the Olympia area, call (360) 664-7000.

IF YOU HAVE WITHDRAWN YOUR CONTRIBUTIONS

If you are a Plan 2 member and have withdrawn your contributions, you must meet eligibility requirements and reestablish membership before you can purchase service credit. To be eligible you must work 70 or more hours in at least five separate months in a school year. Once you have reestablished membership, you can recover the withdrawn service credit. For detailed information on this subject refer to the DRS brochure, *Can I Recover Withdrawn or Optional Service Credit?* You can find this brochure at the DRS Internet site, or request a paper copy from DRS by calling (800) 547-6657. From the Olympia area, call (360) 664-7000.

HOW DO I EARN SERVICE CREDIT?

In Plan 2, the school year is from September 1 through August 31. As a member of Plan 2, **you earn 12 service credit months** for each school year that you:

- work during the month of September;
- work nine months; and
- receive earnable compensation for at least 810 hours of work.

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You will earn six service credit months for each year that you:

- work in the month of September;
- work nine months; and
- receive earnable compensation for at least 630 hours but fewer than 810 hours.

If you meet all of the criteria above except beginning work in September, you receive the maximum number of months possible from your first month of employment in the school year. For instance, if you begin in October, you will receive 11 service credit months.

If you do not meet the qualifications for either 12 or six months service credit, as stated above, **you earn one service credit month** for each calendar month in which you earn compensation for at least 90 hours with one or more employers.

You will receive 1/2 service credit month for any calendar month in which you earn compensation for 70 or more hours, but fewer than 90 hours. You will receive 1/4 service credit month for any time less than 70 hours of compensation earned in a calendar month. No more than one service credit month may be earned in a calendar month.

WHEN DO I APPLY FOR SERVICE CREDIT?

As a Plan 2 member, you apply for service credit after the end of the school year.

Interest Free Deadline: If you pay for the credit from September through February immediately following the school year in which the service was rendered, your contributions are interest free. If you miss the interest-free deadline, you will be charged interest prospectively on both your contributions and employers' contributions.

DRS needs the following documents to determine eligibility, and calculate your service credit and purchase cost:

- A completed "Substitute Teacher's Application for Service Credit," and
- A signed copy of each quarterly report that your employer(s) provided during the instructional year.

Submit your application packet to DRS at the address indicated on the application form.

HOW DO I RECEIVE MY QUARTERLY REPORTS?

Each quarter, all school districts are required to provide substitute teachers with quarterly reports. Many school districts issue reports on a monthly basis. It is important that you maintain a file of these reports because you must include them with your application for service credit at the end of the school year. A quarterly report **must include:**

- your name, Social Security number, your employer's name;
- the number of hours you worked each month, totaled by month;
- the amount of compensation you earned each month, totaled by month; and
- the signature of the payroll officer or person who is authorized to verify the report.

If you were employed in more than one school district, be sure to submit all quarterly reports to DRS at the same time. Upon receipt of your application packet, DRS determines the amount of service credit you are eligible to purchase and bills you for the amount to establish your service credit. After you pay, DRS applies the service credit to your account, and bills your employer for their contributions to the defined benefit program.

MORE INFORMATION?

If you have questions regarding your service credit, write to DRS at PO Box 48380, Olympia, WA 98504-8380.

Telephone

You can also call DRS toll-free at (800) 547-6657. From the Olympia area, call (360) 664-7000.

E-Mail

Contact DRS by e-mail: recep@drs.wa.gov

DRS Internet site

You'll find this publication, your *TRS Plan 2 Handbook*, registration for retirement seminars, a benefit estimator and much more at: <http://www.wa.gov/DRS/drs.htm>

Other publications for TRS Plan 2 members

TRS Disability

Thinking About Working After Retirement?

Can My Retirement Money Be Attached?

Can I Recover Withdrawn or Optional Service Credit?

What Is Dual Membership and How Does It Affect Me?

The Substitute Teachers' Application for Service Credit requests that you provide your Social Security number. 26 United States Code, Sections 6047(D), 6041(A), and 6109(A)(3) authorize DRS to solicit your Social Security number.

- DRS uses your Social Security number to ensure that any amounts disbursed under your account are properly reported to the Internal Revenue Service and as a reference number for tracking all data with regard to your retirement account.
- Routinely, DRS uses the Social Security number as the identifying number for the member file.
- If you do not provide your Social Security number, DRS cannot guarantee that the information you are providing on this form will be properly matched with your member records. This is a particular risk if your name is a fairly common one. Failure to provide your Social Security number may also result in misreporting to the Internal Revenue Service of any disbursements you receive, which may result in adverse tax consequences for you.
- Because DRS uses your Social Security number in order to report disbursements to the IRS as required under federal law, the disclosure of your Social Security number is mandatory.

Teachers' Retirement System (TRS) Plan 2 Substitute Teacher's Application for Service Credit

Instructions: (Please print or type when completing this form.)

- Plan Membership:** As a TRS Plan 2 member, complete the application as outlined below. If you are not a member of TRS Plan 2 and never have been a member of any other Washington State Teachers' Retirement System Plan, or you wish to transfer to TRS Plan 3, you need to obtain the TRS Plan 3 version of *The Substitute Teacher's Guide to Obtaining Service Credit*.
- Application Schedule:** For TRS Plan 2, applications are accepted beginning September 1 following the school year in which the service was rendered.
- Billing schedule:** After receipt of this application and certification that it is correct and complete, DRS will bill you for the service credit you have earned.
- Interest Free Deadline:** You must pay your contributions prior to March 1 (within six months of the end of the school year) or you will be charged interest on both your contributions and the employer contributions.
- What you must include in the application:** (1) one completed copy of this form, and (2) all the quarterly reports that you received from your TRS employers for the school year.
- Send all the documents to DRS:** Mail documents to the address listed in the upper right corner of this form.

Section A: Applicant Information

Applicant Name (Last, First, Middle)	Social Security Number	Phone No.	
Mailing Address	City	State	Zip Code

Section B: Estimate your billing amount

Instructions: Use the figures recorded in your Work Log (Section D on back of this page) to calculate an estimate for your contributions billing. If you need extra space for your Work Log, feel free to make copies of the back of this form.

I worked for _____ school districts in the _____ - _____ school year.
Number of school districts Years worked, i.e. 2000 - 2001

\$ _____ x _____ = \$ _____
Total compensation earned for school year See employer for member contribution rate. Billing amount (billing received after deadline will reflect added interest)

Do not submit payment with this application. This worksheet calculation represents the estimated amount you will owe if you decide to purchase the service credit. DRS will bill you **after** receiving and verifying this application.

Section C Applicant Signature and Affidavit

I swear that the information I have provided in this application and the attached Quarterly Reports is an accurate representation of my substitute teaching activities for Washington State Public Schools during the school year named in Section B.

Note: Information submitted with this application will be verified by the named school districts following receipt of your payment.

Signature of Applicant

Date Signed

If you wish to update your designated beneficiaries, obtain a Beneficiary Designation from your employer and submit to the Department of Retirement Systems.

Section D Work Log for School Year -- *Please feel free to make copies if you worked for more than five school districts.*

1. School District Name _____

School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

2. School District Name _____

School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

3. School District Name _____

School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

4. School District Name _____

School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

5. School District Name _____

School Year _____ - _____

Month	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total
Salary Earned													\$
Hours Worked													

TOTALS

Hours Worked by Month													\$
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Total Compensation